

AFRICA RISK CONSULTING

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Zambian political commentator Sishuwa Sishuwa claims there is a split within the ruling Patriotic Front (PF) into factions for or against President Edgar Lungu (2015-present) with those against him attempting to unseat him before the 2021 elections. Zambia's tourism and arts minister, Ronald Chitotela, says Bermuda-registered mining company, Mwebeshi Resources Ltd, will not mine in the Lower Zambezi National Park, as it has not made an application. The decision follows weeks of protest over the planned extension of the Kangaluwi copper mining project. Energy minister Mathew Nkhwa and Angolan mineral resources and oil minister Diamantino Azevedo sign a memorandum of understanding to build a \$5 billion cross-border oil pipeline.

Are PF members plotting to remove President Lungu?

Zambian political commentator, **Sishuwa Sishuwa**, claims that there is a split inside the ruling **Patriotic Front (PF)** into factions for and against President **Edgar Lungu** (2015-present) and that his detractors are trying to unseat him prior to the 2021 elections.¹ There have been no other reports to corroborate Sishuwa's claims; while there are undoubtedly some within the PF who disagree with Lungu, it is unlikely that these will surface publicly or that Lungu will decide not to run in the 2021 elections. According to Sishuwa, those in favour of Lungu are showing their loyalty to him prior to the election in the hope that they will be chosen as a running mate, or that Lungu will appoint one of them as his successor if he does not run.

For Lungu	Against Lungu
Davies Mwila (PF secretary-general)	Kelvin Bwalya Fube (former PF election deputy chair)
Kaizer Zulu (presidential political advisor)	Other unnamed PF cabinet ministers and members
Chitalu Chilufya (health minister)	
Ronald Chitotela (tourism minister)	
Alexander Chiteme (national planning minister)	
Bowman Lusambo (Lusaka Province minister)	

Sishuwa claims that those against Lungu believe he will not be able to win the 2021 elections and want him removed as leader. Sishuwa only names **Kelvin Bwalya Fube**, a former PF election deputy chair who reportedly has influence with PF party youths, as among those against Lungu.² This group is reportedly concerned that opposition leader **Hakainde Hichilema** is increasing his support around the country, particularly in former PF strongholds such as the **Copperbelt**, and believe someone else should lead the PF in the 2021 elections.³

¹ African Arguments, 19 Nov 2019

² African Arguments, 19 Nov 2019

³ African Arguments, 19 Nov 2019

The group reportedly has four plans to attempt to unseat Lungu. The first would be to persuade Lungu to step down voluntarily.⁴ This is unlikely as Lungu has nothing to gain by stepping down and opposition parties may file charges of corruption against him once he loses his presidential immunity. The second strategy would be to convince the **PF Central Committee** to hold an elective party convention in April 2020 to find a candidate to challenge Lungu's leadership.⁵ However, Sishuwa claims that while Lungu does not have a firm grip on power, there is no real challenger inside the PF at the moment. Fube may step up, but this would mean that those ministers and party members who are against Lungu would need to expose themselves, which could cost them their government positions and political future, particularly if Lungu remained PF leader.

A third strategy would see the group approach the courts to disqualify Lungu as a contender.⁶ Lungu's supporters have put forth a constitutional amendment that would abolish a constitutional provision allowing any person to legally contest a candidate's nomination.⁷ However, this is not necessary as Lungu's 'first term', in which he served 18 months after the death of President **Michael Sata** (2011-2014), was convened under a previous version of the constitution and is not to be counted as a full term (see *ARC Briefing Zambia February 2019*). A group of Lungu supporters from other political parties asked the constitutional court in February to rule on whether Lungu is able to run for another term. The court's decision is due on 7 December and is likely to rule in favour of Lungu.

The fourth possibility would be for PF members against Lungu to form a breakaway party and become part of the opposition. This would remove some voter support for Lungu and potentially split the vote, opening a victory for an opposition party, such as Hichilema's **United Party for National Development (UPND)**. This would be the biggest statement against Lungu's rule and show the deep rifts in the PF, if they exist as Sishuwa claims.

Sishuwa is an anti-Lungu commentator and his reports may reflect more hope than substance. To date there have been no PF members calling for Lungu to step down. There is little chance of this happening either – PF members are no doubt performing a cost/benefit analysis: whether to remain in a Lungu-ruled PF and stay quiet, or show dissent and risk their political careers. For now the most likely outcome is that Lungu will run in 2021 and win with no opposition from within his party.

Government cancels plans for mining in Lower Zambezi National Park

Tourism and arts minister **Ronald Chitotela** said on 6 November that **Bermuda**-registered mining company **Mwebeshi Resources Ltd** will not mine in the **Lower Zambezi National Park**, as it has not made any application.⁸ The decision follows weeks of protest over the planned extension of the **Kangaluwi** copper mining project.⁹ The cancellation of the mining project is a positive development as it allows the government to avoid significant negative press, both domestic and international, that would have followed permission to mine in national parks. Tourism is a major earner for Zambia, contributing 7.1% of the GDP, though it is still far from being as important as mining, which contributes 12% of the GDP.

Chitotela said that the initial **Zambia Environmental Management Agency** licence issued in 2014 allowed **Zambezi Resources** (which has changed names several times and is now Mwebeshi Resources) to explore and mine in the park, but the licence expired in 2017 after an appeal by former lands and natural resources minister **Harry Kalaba**.¹⁰ Zambezi Resources can apply again to mine in the park, but Chitotela says this is unlikely to be approved.¹¹

⁴ African Arguments, 19 Nov 2019

⁵ African Arguments, 19 Nov 2019

⁶ African Arguments, 19 Nov 2019

⁷ African Arguments, 19 Nov 2019

⁸ Lusaka Times, 6 Nov 2019

⁹ Lusaka Times, 6 Nov 2019

¹⁰ Lusaka Times, 6 Nov 2019

¹¹ Lusaka Times, 6 Nov 2019

Protests against mining in the national park were reignited after the **Lusaka High Court** ruled on 17 October that the 2017 appeal by Kalaba and environmental NGOs was invalid, as there was no record of appeal, which meant that the mine could be built in the park.¹² Environmentalists and civil society activists reacted quickly, condemning any extension of the Kangaluwi mining project, which rests on the eastern edge of the Lower Zambezi National Park.¹³ According to environmental NGO **WWF**, the extension would cover 25% of the park but would result in the loss of the entire northern part of the park.¹⁴

Zambia and Angola find funding for the Lobito Corridor oil pipeline

Zambia's energy minister, **Mathew Nkhawa**, and **Angola's** mineral resources and oil minister, **Diamantino Azevedo**, signed a memorandum of understanding to build a \$5 billion cross-border oil pipeline, for which Zambia will find financing to improve the **Indeni** oil refinery.¹⁵ The pipeline will help to reduce Zambia's reliance on imported petroleum products, although the government has yet to explain where it will source the capital required to build the pipeline. The 1,400-kilometre oil pipeline will take five years to construct, starting in **Lobito** on Angola's coast and stretching to Zambia's capital, **Lusaka**.¹⁶ The two governments also plan to build roads and railways to better connect Angola and Zambia and stated that Angola-based telecommunications company **Unitel** is planning a \$350m project in Zambia.¹⁷

Nkhawa said that once the pipeline and refinery are operational, Zambia will be able to produce its own petroleum products and reduce its dependency on imported products, on which it spends \$1 billion annually.¹⁸ According to Azevedo, the

*"...installation of the new delivery system is vital to meet the current demand in Zambia and the sub-region and also prepare for consumption in the long term. Zambia currently has one pipeline which transports its petroleum products from the port of **Dar es Salaam** in **Tanzania** to Indeni refinery in **Ndola**."*¹⁹

The Zambian government is expected to announce its equity partner in the Indeni refinery before the end of November.²⁰ Given Zambia's rising debt, the government's best funding option may be to enter into a build-operate-transfer deal.

¹² Mining.com, 27 Oct 2019

¹³ Mining.com, 27 Oct 2019

¹⁴ Lusaka Times, 26 Oct 2019

¹⁵ Fitch Solutions, 19 Nov 2019

¹⁶ Lusaka Times, 28 Oct 2019

¹⁷ Lusaka Times, 28 Oct 2019

¹⁸ The Southern Times, 18 Nov 2019

¹⁹ Construction Review Online, 16 Nov 2019

²⁰ Construction Review Online, 16 Nov 2019

Planner

20 Nov 2019 **Lusaka (Zambia) Bank of Zambia** (central bank) Monetary Policy Committee media briefing;

2020 **(Zambia)** Construction scheduled to begin on **Batoka Gorge Power Plant**;

2021 **(Zambia)** Scheduled presidential elections;

Chronology

14 Nov 2019 **Lusaka (Zambia)** *Lusaka Times*. Government pays \$27m to **South Africa's** state-owned energy company, **Eskom**, for the importation of 300 MW of electricity for one month;

6 Nov 2019 **Lusaka (Zambia)** *Mining.com*. Government cancels highly controversial plan to allow the construction of a major copper mine in **Lower Zambezi National Park**;

6 Nov 2019 **Lusaka (Zambia)** *Xinhua*. Government spokesperson **Dora Siliya** says cabinet has approved a revised national energy policy which will guide the development and management of the energy sector;

5 Nov 2019 **Lusaka (Zambia)** *Power Engineering International*. **Spanish-Japanese** renewable energy business group **Univergy Solar** set to invest more than \$200m in two solar power projects in **Zambia**;

31 Oct 2019 **Lusaka (Zambia)** *Lusaka Times*. Government spokesperson **Dora Siliya** says the government paid \$40m to import electricity from **South Africa's** state-owned energy company, **Eskom**;

30 Oct 2019 **Lusaka (Zambia)** *AFP*. The **Zambia Red Cross** says that more than two million **Zambians** are facing starvation due to a drought and floods affecting harvests;

28 Oct 2019 **Lusaka (Zambia)** *Lusaka Times*. The **Zambian** ambassador to **Angola**, **Lawrence Chalungumana**, says there is \$5 billion in financing available for an oil pipeline from Angola to Zambia;

25 Oct 2019 **Lusaka (Zambia)** *Mining Weekly*. **Mark Bristow**, the CEO of **Canada**-based mining company **Barrick Gold**, says its **Lumwana** mine is worth \$725m but is not up for sale;

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